

VZCZCXR02123
PP RUEHDBU
DE RUEHMO #3035/01 0860552
ZNY CCCCC ZZH
P 270552Z MAR 06
FM AMEMBASSY MOSCOW
TO RUEHC/SECSTATE WASHDC PRIORITY 2952
INFO RUCNCIS/CIS COLLECTIVE PRIORITY
RUEHXD/MOSCOW POLITICAL COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 MOSCOW 003035

SIPDIS

SIPDIS

E.O. 12958: DECL: 03/24/2016

TAGS: PREL PGOV BO RS
SUBJECT: AFTER THE ELECTION: MOSCOW VIEWS ON BELARUS AND
LUKASHENKO

REF: A. MOSCOW 2760

¶B. MOSCOW 1934
¶C. MOSCOW 1171

Classified By: Ambassador William J. Burns. Reasons: 1.4(B/D).

¶11. (C) Summary. Russia's embrace of President Lukashenko's victory in the March 19 Belarus election reflects official Moscow's strong preference for stability in Minsk and its belief that the status quo offers the best chance for that stability. Contacts close to the Belarusian opposition in Moscow say they are searching to find some positive notes in the results, while media criticism of the sham election has been muted. Moscow's political analysts were not surprised by Lukashenko's victory, citing his strong popular support and control of the system. Our contacts expect that the Kremlin (through Gazprom) will soon renew its bid for Beltransgaz and raise the price for Russian gas deliveries to Belarus. Negotiations over the Russian-Belarusian Union State will continue to limp along, remaining a low priority for the Kremlin in the near term. As the U.S. and EU coordinate targeted measures against Belarusian officials, we should both reinforce our concerns to Moscow and probe for signs of willingness to discuss future political development in Belarus. End Summary.

Official Moscow Welcomes Lukashenko's Victory

¶12. (SBU) Reflecting its strong preference for stability in Belarus and its belief that Lukashenko -- for all his acknowledged downsides -- provides the best short-term basis for such stability, the Russian government welcomed Lukashenko's victory in the March 19 elections. President Putin's March 20 congratulatory telegram to Lukashenko said the election results reflected voters' trust in his leadership, and Putin looked forward to "joint efforts" to build the Union State and ensure "the onward democratic development" of Russia and Belarus. A March 20 MFA statement declared Belarus' presidential election "legitimate" and consistent with recognized norms (ref A). Duma leaders such as Communist Party leader Gennadiy Zyuganov and United Russia's Valeriy Ryazanskiy attributed Lukashenko's huge margin of victory to genuine popularity. Union State Secretary Pavel Borodin said the election reflected the will

SIPDIS

of the Belarusian people and should be respected. LDPR leader Vladimir Zhirinovskiy expressed satisfaction there would be "no change for the worse" in Belarus.

¶13. (C) Reflecting a widely held view, Security Council Secretary Igor Ivanov told the Ambassador March 23 that he

SIPDIS
did not see why the U.S. was so "spun up" over Belarus, a

small country that is living in peace with its neighbors. Lukashenko threatened no one and did not harbor terrorists or proliferate WMD. Putin's Foreign Policy Assistant Sergey Prikhodko took a similar line on March 24, saying that Lukashenko -- who at least is able to control Belarus' borders -- is less of a threat than Georgia's President Saakashvili. He dismissed the suggestion that Lukashenko was engaged in illicit arms exports, saying he had seen no evidence to that effect. In a March 23 discussion, Council on Foreign and Defense Policy head Sergey Karaganov (no friend of Lukashenko, who he said has identified Karaganov to Putin as his "enemy number one" in Russia) also compared Lukashenko favorably to Saakashvili, describing both as talented demagogues without any genuine democratic commitment but saying that Lukashenko was more effective in running his country and economy. Karaganov also dismissed Milinkevich as an intelligent and good man, but not a plausible leader.

¶4. (C) MFA Belarus Desk Senior Counselor Marat Pavlov -- fresh from Minsk as an election observer -- elaborated on similar themes, telling us the Belarusians had good access to media in making electoral decisions and denying the GOB had arrested opposition campaign figures inappropriately: they merely "detained some hooligans." Accounting for Lukashenko's popularity, Pavlov referred to the Belarusian public's "statist" mentality, the government's reliable payment of wages, and a decent standard of living -- better on average, he said, than in many Russian provinces. Pavlov argued that isolating Belarus politically would not help Minsk to democratize. While the GOR has not publicly reacted to Western criticism of the election, we were told an MFA response was in the works.

Opposition Finds Silver Lining . . .

¶5. (C) ORT television's Pavel Sheremet, who maintains close contact with Belarusian human rights activists, characterized the opposition's mood as one of "mixed feelings." They had

MOSCOW 00003035 002 OF 003

made a decent showing despite the lop-sided official results. He described a "critical mass" of Belarusians who knew the results were fixed, but pointed to Lukashenko's tight control over security forces, the absence of free media, and the elite's lack of backbone as reasons why there would be no popular uprising. He concluded that Lukashenko would be unbothered by any Western tongue-lashing that was not backed up with action. Sheremet called for targeted sanctions against a broad range of Belarusian government officials.

. . . While Media Criticism Muted

¶6. (C) By week's end Moscow's talking heads were still mostly quiet about an election that had turned out generally as they had expected. Yuriy Levada, Director of the well-respected All-Russian Center for the Study of Public Opinion A (VTsIOM-A), told us it was as though the election had taken place somewhere far away, like Portugal. International Security Center Director Aleksey Arbatov was nearly alone in labeling the election "probably rigged" in a recent Nezavisimaya Gazeta article and asserting that "most ballot papers were faked." Even his criticism was tempered by the belief that Lukashenko would have won without resorting to Soviet-style tactics, e.g., early unmonitored voting or the absurd 93 percent voter turnout. A Vremya Novostey article on March 22 cited polling data from Levada's Center to indicate Lukashenko was genuinely popular (though the regime obviously used administrative resources excessively) and noted that only one-fifth of the population really shared the opposition's viewpoint.

Now to Business

¶ 7. (C) Few people we spoke to doubted that, with the elections out of the way, Russia will turn to enhancing its control over the Belarusian energy sector. First up is likely to be a Gazprom bid for Beltransgaz reinforced by the credible threat of higher -- maybe significantly higher -- prices for Russian gas. State Duma CIS Committee Chairman Andrey Kokoshin confirmed that view in a March 23 meeting with the Ambassador. Kokoshin said gas discussions with Belarus are now a priority, since Putin had laid down that marker in discussions with Lukashenko, but he expected a "move" rather than a "leap" in gas prices. Some have even suggested that behind Russia's strategic support for Lukashenko lay the simple calculus that it would be less complicated to negotiate and implement a gas deal with an embattled autocrat (the devil Putin knows) than a gaggle of competing interests as in Ukraine. Karaganov also said he expected early action on the energy front, and said it will be interesting to see whose economic interests are served by any agreement that can be reached.

¶ 8. (C) Sheremet, referring to a Gazprom insider he knows, said the company intends to renew its bid for Beltransgaz in earnest the week of March 26 (while Ukraine's parliamentary election attracts most of the media coverage in the CIS). Reportedly, the contract is already drawn up and Belarus will be required to pay \$70/thousand cubic meters (tcm) for Russian gas if a Beltransgaz deal goes through or \$100-120/tcm if the two sides do not reach an agreement. Vedmosti's CIS correspondent Vasiliy Kashin said Russia would aim to conclude the acquisition and raise its gas prices by the end of the year, offering loans to offset the price increases. Carnegie's Petrov believed Lukashenko will somehow delay the Beltransgaz negotiations, as he has done in the past, and ultimately outfox Putin.

Union State -- Going Nowhere Fast?

¶ 9. (C) No analysts we have spoken to in the last six months, including after the election, think a Union State treaty will soon be signed. RAO UES Chairman and former Presidential Administration chief Aleksandr Voloshin told the Ambassador March 22 that Putin and Lukashenko strongly mistrust each other, and that will stall progress on the Union State for the foreseeable future. Even the MFA's Belarus Desk has consistently been pessimistic on the near-term prospect for a Union State treaty. Most observers seem to have concluded that Russian decisionmakers judge that the Union State would bring little immediate gain while raising the hackles of the West. It would thus be better to put the Union on the back-burner while chasing more immediately lucrative goals, like enhanced control over Belarus' energy sector. The GOR thus seems content to let Union State negotiations meander on at the working level and to measure success by signing agreements on tax and customs harmonization, health care benefits, and other workaday issues. Karaganov also

MOSCOW 00003035 003 OF 003

dismissed the prospect of rapid forward movement on union, saying he expected things in that area in 2011 to be much like they are in 2006 and were in 2001.

¶ 10. (C) Strong fears of Lukashenko's demagogic appeal and political ambitions in Russia are another reason why Russian observers do not think the union will move quickly. Liberal radio station Ekho Moskvy conducted a poll of Moscow listeners on March 21 asking, "Who would you vote for to be President of the Russian-Belarusian Union State?" Of the nearly 6000 listeners who called in, 82 percent voted for Lukashenko and only 18 percent for Putin. Internet voting on the same question was less lopsided -- 39 percent chose Lukashenko, 29 percent liked Putin, and 32 percent were undecided. While calling Lukashenko's chances for the Union State presidency "improbable," Carnegie's Petrov noted the Belarusian president has a real following in Russia, especially among ordinary Russians in the provinces and with

regional governors -- a view we have often heard before (ref C). Voloshin concluded that Lukashenko's well-known political aspirations in Russia would serve as a brake on any movement toward union, with talk continuing to substitute for movement.

Comment: Engaging Russia on Belarus

¶11. (C) We have made clear to the GOR over the last six months that it would be better if the U.S. and Russia were not on opposite sides in responding to the election results (especially in light of the approaching G-8 summit) and that we had hoped the GOR would assess the election on its democratic merits. That has not happened so far. While Russia may have encouraged Lukashenko to avoid violence against the protesters or to provide a circumscribed space for opposition views (DFM Karasin has told the Ambassador that the GOR did make clear to Lukashenko that restraint was important), in the end Moscow opted for Lukashenko in the belief that any alternative would be worse in terms of Russian interests.

¶12. (C) While our assessments of the election are thus at odds, there are two important grounds to continue engaging Moscow on Belarus. First, as we and the EU formulate a coordinated response targeted against Belarusian officials involved in election fraud and human rights abuses, we should make clear to Moscow why we are imposing sanctions and request that Russia not take steps to undercut these measures, particularly financial sanctions. We have already heard from our German colleagues that DFM Karasin has said he would be interested in engaging with the EU and U.S. on next steps in Belarus, which is consistent with our discussions with him.

¶13. (C) More broadly, we need to probe Russia's willingness to discuss Belarus in the post-election period. Karasin told U/S Burns in a February 20 meeting that the Russian government was convinced Lukashenko would have no alternative but to pursue greater openness after the election and that Belarus would be a prosperous state with a pluralistic political system in five to six years. While that statement is impossible to take at face value, it offers us an opening to push the Russian government to spell out exactly what objective steps would lead to this end-state. By pressing Moscow to define what metrics it would use to measure this development -- on civil liberties, press and academic freedom and associational independence -- we would seek some common ground in discussing developments in Belarus and the wider CIS.

¶14. (C) Any dialogue that we have on Belarus will inevitably be affected, however, by other issues. Karaganov said he was in particular certain that if Ukraine is put on a fast-track to NATO membership this year, there will be no GOR readiness to look for possible areas of overlapping interests in Belarus. That consideration may in any case serve as a pretext on the Russian side for taking a hardline in any consultations on Belarus until Moscow has a clearer sense of the broader context of its dealings with the U.S. and Europe.

BURNS